

AMENDED IN SENATE MAY 1, 2014

SENATE BILL

No. 1467

Introduced by Committee on Business, Professions and Economic Development (Senators Lieu (Chair), Berryhill, Block, Corbett, Galgiani, Hernandez, Hill, Padilla, ~~Wyland~~, and Yee and Wyland)

March 25, 2014

An act to amend Sections 5070, 5070.5, 5093, 5096, 5096.4, 6759, 7011.4, 7842, ~~7860~~, and ~~8538~~ and 7860 of the Business and Professions Code, relating to professions and vocations.

LEGISLATIVE COUNSEL'S DIGEST

SB 1467, as amended, Committee on Business, Professions and Economic Development. Professions and vocations.

(1) Under existing law, the California Board of Accountancy licenses and regulates accountants. Existing law prohibits a person from engaging in the practice of public accountancy in this state unless he or she holds either a valid permit issued by the board or a practice privilege, as specified. Existing law requires an applicant for registration to furnish satisfactory evidence that the applicant is entitled to registration.

This bill would authorize the board to collect, but not require, a valid electronic mail address at the time of application for, or renewal of, a certified public accountant license. The bill would provide that these electronic mail addresses shall not be considered public records and would prohibit these electronic mail addresses from being disclosed pursuant to specified provisions of law, unless required pursuant to a court order.

Existing law sets forth education, examination, and experience requirements for a certified public accountant license, and requires an applicant to show, to the satisfaction of the board, that he or she has

one year of qualifying experience, including any type of service or advice involving the use of accounting, attest, compilation, management advisory, financial advisory, tax, or consulting skills. Existing law requires the experience to have been performed in accordance with applicable professional standards in order to qualify, and to be completed under the supervision or in the employ of a person licensed to engage in the practice of public accountancy, as specified.

This bill would authorize the board, by regulation, to allow experience in academia to satisfy the one-year requirement described above.

Existing law, until January 1, 2019, authorizes an individual whose principal place of business is not in this state and who has a valid and current license, certificate, or permit to practice public accountancy from another state to engage in the practice of public accountancy in this state under a practice privilege without obtaining a certificate or license, if certain conditions are met. Existing law subjects an individual who holds a practice privilege to certain requirements, including, among others, that the individual shall notify the board of any pending criminal charges, other than a minor traffic violation, in any jurisdiction.

This bill would instead subject an individual holding and exercising a practice privilege in this state to the requirements described above. The bill would also require the individual to report the criminal charges described above to the board in writing within 30 days of the date the individual has knowledge of those charges.

Existing law, until January 1, 2019, authorizes the board to administratively suspend an individual's right to practice in this state under a practice privilege at any time by an order issued by the board or its executive officer, without prior notice or hearing, for the purpose of conducting a disciplinary investigation, proceeding, or inquiry concerning the representations made in the notice, the individual's competence or qualifications to practice under practice privileges, failure to timely respond to a board inquiry or request for information or documents, or under other conditions and circumstances provided for by board regulation. Existing law, beginning January 1, 2019, additionally requires the board to consult the Public Company Accounting Oversight Board (PCAOB) and the United States Securities and Exchange Commission on an every six-month basis to identify out-of-state licensees who may have disqualifying conditions, or may be obliged to cease practice, and to disclose whether those out-of-state licensees are lawfully permitted to exercise the privilege. Existing law

provides that disclosure of this information is not to be considered discipline.

This bill would instead require the board to consult with the PCAOB and the United States Securities and Exchange Commission ~~as specified above~~ *at least once every 6 months, as specified*, until January 1, 2019, and would delete those provisions after that date.

This bill would make technical, nonsubstantive changes, and would delete an obsolete provision.

(2) The Professional Engineers Act provides for the regulation and licensure of professional engineers by the Board of Professional Engineers, Land Surveyors, and Geologists. Existing law requires an applicant for registration as a professional engineer, among other things, to furnish evidence of 6 years or more of qualifying experience in engineering work, as specified, and to successfully pass the second division of the licensure examination. Existing law authorizes the board to issue a certificate of registration as a professional engineer, without a written examination, to a person holding a certificate of registration issued by another state or country if the applicant's qualifications meet the requirements of the act. For purposes of these provisions, the act requires equivalent second division examinations to be 8-hour written examinations prepared or administered by a state or territory, as specified.

This bill would delete the requirement that an equivalent second division examination be an 8-hour examination.

(3) Under the Contractors' State License Law, the Contractors' State License Board licenses and regulates contractors. Under existing law, there is within the board a separate enforcement division that is required to rigorously enforce the act. Existing law specifies that persons employed as enforcement representatives in this division, and designated by the Director of Consumer Affairs, are not peace officers and are not entitled to safety member retirement benefits.

This bill would make technical, nonsubstantive changes to these ~~provision~~ *provisions*.

(4) Under the Geologist and Geophysicist Act, the Board for Professional Engineers, Land Surveyors, and Geologists registers and regulates professional geologists and professional geophysicists and certifies applicants in specialties in geology. The act requires an applicant seeking certification as a petroleum geologist to meet certain requirements including, among other things, having performed a

minimum of 3 years of professional geological work under the supervision of a registered petroleum engineer.

This bill would delete the provisions relating to petroleum geologists described above. The bill would also make technical, nonsubstantive changes to one of these provisions.

~~(5) Existing law provides for the regulation of registered structural pest control companies by the Structural Pest Control Board. Existing law requires a registered structural pest control company to provide a specified written notice to the owner, or owner's agent, and the tenant of the premises where pest control work is to be done. Existing law authorizes the notice to be given by first-class mail, posting in a conspicuous place on the real property, or personal mail.~~

~~This bill would also authorize the notice to be given by electronic mail.~~

~~(6)~~

~~(5) Existing constitutional provisions require that a statute that limits the right of access to meetings of public bodies or the writings of public officials and agencies be adopted with findings and declarations demonstrating the interest protected by that limitation and the need for protecting that interest.~~

This bill would make a legislative finding and declaration relating to the necessity of treating as confidential electronic addresses provided to the California Board of Accountancy in order to protect the privacy of those individuals applying for a certified public accountant license.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. The Legislature finds and declares that in order
- 2 to protect the privacy of those individuals applying for a certified
- 3 public accountant license, it is necessary that electronic addresses
- 4 provided to the California Board of Accountancy pursuant to
- 5 Sections 2 and 3 of this act be confidential.
- 6 SEC. 2. Section 5070 of the Business and Professions Code is
- 7 amended to read:
- 8 5070. (a) Permits to engage in the practice of public
- 9 accountancy in this state shall be issued by the board only to
- 10 holders of the certificate of certified public accountant issued under
- 11 this chapter and to those partnerships, corporations, and other

1 persons who, upon application approved by the board, are
2 registered with the board under this chapter. Notwithstanding any
3 other law, the board may register an entity organized and authorized
4 to practice public accountancy under the laws of another state for
5 the purpose of allowing that entity to satisfy the registration
6 requirement set forth in Section 5096.12, if (1) the certified public
7 accountants providing services in California qualify for the practice
8 privilege, and (2) the entity satisfies all other requirements to
9 register in this state, other than its form of legal organization.

10 (b) All applicants for registration shall furnish satisfactory
11 evidence that the applicant is entitled to registration and shall pay
12 the fee as provided in Article 8 (commencing with Section 5130).
13 Every partnership, corporation, and other person to whom a permit
14 is issued shall, in addition to any other fee which may be payable,
15 pay the initial permit fee provided in Article 8 (commencing with
16 Section 5130).

17 (c) The board may collect, but shall not require, a valid
18 electronic address at the time of application for a certified public
19 accountant license. In the interest of protecting an applicant's
20 privacy, the electronic address shall not be considered a public
21 record and shall not be disclosed pursuant to Section 27 or pursuant
22 to a request under the California Public Records Act (Chapter 3.5
23 (commencing with Section 6250) of Division 7 of Title 1 of the
24 Government Code), unless required pursuant to a court order by
25 a court of competent jurisdiction.

26 (d) Each partnership, corporation, and other person issued a
27 permit by the board to practice as a certified public accountant or
28 as a public accountant shall be furnished with a suitable certificate
29 evidencing that registration.

30 SEC. 3. Section 5070.5 of the Business and Professions Code
31 is amended to read:

32 5070.5. (a) (1) A permit issued under this chapter to a certified
33 public accountant or a public accountant expires at 12 midnight
34 on the last day of the month of the legal birthday of the licensee
35 during the second year of a two-year term if not renewed.

36 (2) To renew an unexpired permit, a permitholder shall, before
37 the time at which the permit would otherwise expire, apply for
38 renewal on a form prescribed by the board, pay the renewal fee
39 prescribed by this chapter, and give evidence satisfactory to the

1 board that he or she has complied with the continuing education
2 provisions of this chapter.

3 (3) The board may collect, but shall not require, a valid
4 electronic mail address on the renewal form described in paragraph
5 (1). In the interest of protecting an applicant's privacy, the
6 electronic mail address shall not be considered a public record and
7 shall not be disclosed pursuant to Section 27 or pursuant to a
8 request under the California Public Records Act (Chapter 3.5
9 (commencing with Section 6250) of Division 7 of Title 1 of the
10 Government Code), unless required pursuant to a court order by
11 a court of competent jurisdiction.

12 (b) A permit to practice as an accountancy partnership or an
13 accountancy corporation expires at 12 midnight on the last day of
14 the month in which the permit was initially issued during the
15 second year of a two-year term if not renewed. To renew an
16 unexpired permit, the permitholder shall, before the time at which
17 the permit would otherwise expire, apply for renewal on a form
18 prescribed by the board, pay the renewal fee prescribed by this
19 chapter, and provide evidence satisfactory to the board that the
20 accountancy partnership or accountancy corporation is in
21 compliance with this chapter.

22 SEC. 4. Section 5093 of the Business and Professions Code is
23 amended to read:

24 5093. (a) To qualify for the certified public accountant license,
25 an applicant who is applying under this section shall meet the
26 education, examination, and experience requirements specified in
27 subdivisions (b), (c), and (d), or otherwise prescribed pursuant to
28 this article. The board may adopt regulations as necessary to
29 implement this section.

30 (b) (1) An applicant for admission to the certified public
31 accountant examination under this section shall present satisfactory
32 evidence that the applicant has completed a baccalaureate or higher
33 degree conferred by a degree-granting university, college, or other
34 institution of learning accredited by a regional or national
35 accrediting agency included in a list of these agencies published
36 by the United States Secretary of Education under the requirements
37 of the Higher Education Act of 1965 as amended (20 U.S.C. Sec.
38 1001 et seq.), or meeting, at a minimum, the standards described
39 in subdivision (c) of Section 5094. The total educational program
40 shall include a minimum of 24 semester units in accounting

1 subjects and 24 semester units in business-related subjects. This
2 evidence shall be provided at the time of application for admission
3 to the examination, except that an applicant who applied, qualified,
4 and sat for at least two subjects of the examination for the certified
5 public accountant license before May 15, 2002, may provide this
6 evidence at the time of application for licensure.

7 (A) An applicant enrolled in a program at an institution as
8 described in this paragraph that grants conferral of a baccalaureate
9 degree upon completion of the 150 semester units required by
10 paragraph (2) of this subdivision may satisfy the requirements of
11 this paragraph if the applicant's institution mails the applicant's
12 official transcript or its equivalent together or separately with a
13 letter signed by the institution's registrar, or its equivalent, directly
14 to the board pursuant to subdivision (c) of Section 5094. The letter
15 shall include all of the following:

16 (i) A statement that the applicant is enrolled and in good
17 standing in a program that will result in the conferral of a
18 baccalaureate degree upon completion of either a master's degree
19 or the 150 semester units required by paragraph (2) of this
20 subdivision.

21 (ii) A statement that the applicant has completed all
22 requirements, including general education and elective
23 requirements, for a baccalaureate degree and the only reason the
24 college or university has yet to confer the degree is because the
25 applicant is enrolled in a program that confers a baccalaureate
26 degree upon completion of either a master's degree or the 150
27 semester units required by paragraph (2) of this subdivision.

28 (iii) The date on which the applicant met all of the college's or
29 university's requirements for conferral of a baccalaureate degree.

30 (B) The total educational program for an applicant described in
31 subparagraph (A) shall include a minimum of 24 semester units
32 in accounting subjects and 24 semester units in business-related
33 subjects. This evidence shall be provided at the time of application
34 for admission to the examination, except that an applicant who
35 applied, qualified, and sat for at least two subjects of the
36 examination for the certified public accountant license before May
37 15, 2002, may provide this evidence at the time of application for
38 licensure.

39 (2) An applicant for issuance of the certified public accountant
40 license under this section shall present satisfactory evidence that

1 the applicant has completed at least 150 semester units of college
2 education, including a baccalaureate or higher degree conferred
3 by a college or university, meeting, at a minimum, the standards
4 described in Section 5094, the total educational program to include
5 a minimum of 24 semester units in accounting subjects, 24 semester
6 units in business-related subjects, and, after December 31, 2013,
7 shall also include a minimum of 10 units of ethics study consistent
8 with the requirements set forth in Section 5094.3 and 20 units of
9 accounting study consistent with the regulations promulgated under
10 subdivision (c) of Section 5094.6. This evidence shall be presented
11 at the time of application for the certified public accountant license.
12 Nothing in this paragraph shall be deemed inconsistent with Section
13 5094 or 5094.6. Nothing in this paragraph shall be construed to
14 be inconsistent with prevailing academic practice regarding the
15 completion of units.

16 (c) An applicant for the certified public accountant license shall
17 pass an examination prescribed by the board.

18 (d) (1) The applicant shall show, to the satisfaction of the board,
19 that the applicant has had one year of qualifying experience. This
20 experience may include providing any type of service or advice
21 involving the use of accounting, attest, compilation, management
22 advisory, financial advisory, tax, or consulting skills.

23 (2) To be qualifying under this section, experience shall have
24 been performed in accordance with applicable professional
25 standards. Experience in public accounting shall be completed
26 under the supervision or in the employ of a person licensed or
27 otherwise having comparable authority under the laws of any state
28 or country to engage in the practice of public accountancy.
29 Experience in private or governmental accounting or auditing shall
30 be completed under the supervision of an individual licensed by
31 a state to engage in the practice of public accountancy.

32 (3) Notwithstanding paragraph (2), the board may, by regulation,
33 allow experience in academia to be qualifying under this section.

34 (e) Applicants completing education at a college or university
35 located outside of this state, meeting, at a minimum, the standards
36 described in Section 5094, shall be deemed to meet the educational
37 requirements of this section if the board determines that the
38 education is substantially equivalent to the standards of education
39 specified under this chapter.

(f) An applicant who has successfully passed the examination requirement specified under Section 5082 on or before December 31, 2013, may qualify for the certified public accountant license without satisfying the 10 semester units of study set forth in Section 5094.3 or 20 semester units of accounting study consistent with the regulations promulgated under Section 5094.6, if the applicant completes all other requirements for the issuance of a license on or before December 31, 2015.

SEC. 5. Section 5096 of the Business and Professions Code, as amended by Section 3 of Chapter 319 of the Statutes of 2013, is amended to read:

5096. (a) An individual whose principal place of business is not in this state and who has a valid and current license, certificate, or permit to practice public accountancy from another state may, subject to the conditions and limitations in this article, engage in the practice of public accountancy in this state under a practice privilege without obtaining a certificate or license under this chapter if the individual satisfies one of the following:

(1) The individual has continually practiced public accountancy as a certified public accountant under a valid license issued by any state for at least 4 of the last 10 years.

(2) The individual has a license, certificate, or permit from a state that has been determined by the board to have education, examination, and experience qualifications for licensure substantially equivalent to this state's qualifications under Section 5093.

(3) The individual possesses education, examination, and experience qualifications for licensure that have been determined by the board to be substantially equivalent to this state's qualifications under Section 5093.

(b) The board may designate states as substantially equivalent under paragraph (2) of subdivision (a) and may accept individual qualification evaluations or appraisals conducted by designated entities, as satisfying the requirements of paragraph (3) of subdivision (a).

(c) An individual who qualifies for the practice privilege under this section may engage in the practice of public accountancy in this state, and ~~no~~ a notice, fee, or other requirement shall *not* be imposed on that individual by the board.

1 (d) An individual who qualifies for the practice privilege under
2 this section may perform the following services only through a
3 firm of certified public accountants that has obtained a registration
4 from the board pursuant to Section 5096.12:

5 (1) An audit or review of a financial statement for an entity
6 headquartered in California.

7 (2) A compilation of a financial statement when that person
8 expects, or reasonably might expect, that a third party will use the
9 financial statement and the compilation report does not disclose a
10 lack of independence for an entity headquartered in California.

11 (3) An examination of prospective financial information for an
12 entity headquartered in California.

13 (e) An individual who holds a practice privilege under this
14 article, and is exercising the practice privilege in California:

15 (1) Is subject to the personal and subject matter jurisdiction and
16 disciplinary authority of the board and the courts of this state.

17 (2) Shall comply with the provisions of this chapter, board
18 regulations, and other laws, regulations, and professional standards
19 applicable to the practice of public accountancy by the licensees
20 of this state and to any other laws and regulations applicable to
21 individuals practicing under practice privileges in this state, except
22 the individual is deemed, solely for the purpose of this article, to
23 have met the continuing education requirements and ethics
24 examination requirements of this state when the individual has
25 met the examination and continuing education requirements of the
26 state in which the individual holds the valid license, certificate, or
27 permit on which the substantial equivalency is based.

28 (3) Shall not provide public accountancy services in this state
29 from any office located in this state, except as an employee of a
30 firm registered in this state. This paragraph does not apply to public
31 accountancy services provided to a client at the client's place of
32 business or residence.

33 (4) Is deemed to have appointed the regulatory agency of the
34 state that issued the individual's certificate, license, or permit upon
35 which substantial equivalency is based as the individual's agent
36 on whom notices, subpoenas, or other process may be served in
37 any action or proceeding by the board against the individual.

38 (5) Shall cooperate with any board investigation or inquiry and
39 shall timely respond to a board investigation, inquiry, request,
40 notice, demand, or subpoena for information or documents and

1 timely provide to the board the identified information and
2 documents.

3 (6) Shall cease exercising the practice privilege in this state if
4 the regulatory agency in the state in which the individual's
5 certificate, license, or permit was issued takes disciplinary action
6 resulting in the suspension or revocation, including stayed
7 suspension, stayed revocation, or probation of the individual's
8 certificate, license, or permit, or takes other disciplinary action
9 against the individual's certificate, license, or permit that arises
10 from any of the following:

11 (A) Gross negligence, recklessness, or intentional wrongdoing
12 relating to the practice of public accountancy.

13 (B) Fraud or misappropriation of funds.

14 (C) Preparation, publication, or dissemination of false,
15 fraudulent, or materially incomplete or misleading financial
16 statements, reports, or information.

17 (7) Shall cease exercising the practice privilege in this state if
18 convicted in any jurisdiction of any crime involving dishonesty,
19 including, but not limited to, embezzlement, theft, misappropriation
20 of funds or property, or obtaining money, property, or other
21 valuable consideration by fraudulent means or false pretenses.

22 (8) Shall cease exercising the practice privilege if the United
23 States Securities and Exchange Commission or the Public Company
24 Accounting Oversight Board bars the individual from practicing
25 before them.

26 (9) Shall cease exercising the practice privilege if any
27 governmental body or agency suspends the right of the individual
28 to practice before the body or agency.

29 (10) Shall report to the board in writing any pending criminal
30 charges, other than for a minor traffic violation, in any jurisdiction
31 within 30 days of the date the individual has knowledge of those
32 charges.

33 (f) An individual who is required to cease practice pursuant to
34 paragraphs (6) to (9), inclusive, of subdivision (e) shall notify the
35 board within 15 calendar days, on a form prescribed by the board,
36 and shall not practice public accountancy in this state pursuant to
37 this section until he or she has received from the board written
38 permission to do so.

39 (g) An individual who fails to cease practice as required by
40 subdivision (e) or who fails to provide the notice required by

subdivision (f) shall be subject to the personal and subject matter jurisdiction and disciplinary authority of the board as if the practice privilege were a license and the individual were a licensee. An individual in violation of subdivision (e) or (f) shall, for a minimum of one year from the date the board learns there has been a violation of subdivision (e) or (f), not practice in this state and shall not have the possibility of reinstatement during that period. If the board determines that the failure to cease practice or provide the notice was intentional, that individual's practice privilege shall be revoked and there shall be no possibility of reinstatement for a minimum of two years.

(h) The board shall require an individual who provides notice to the board pursuant to subdivision (f) to cease the practice of public accountancy in this state until the board provides the individual with written permission to resume the practice of public accountancy in this state.

(i) (1) An individual to whom, within the last seven years immediately preceding the date on which he or she wishes to practice in this state, any of the following criteria apply, shall notify the board, on a form prescribed by the board, and shall not practice public accountancy in this state pursuant to this section until the board provides the individual with written permission to do so:

(A) He or she has been the subject of any final disciplinary action by the licensing or disciplinary authority of any other jurisdiction with respect to any professional license or has any charges of professional misconduct pending against him or her in any other jurisdiction.

(B) He or she has had his or her license in another jurisdiction reinstated after a suspension or revocation of the license.

(C) He or she has been denied issuance or renewal of a professional license or certificate in any other jurisdiction for any reason other than an inadvertent administrative error.

(D) He or she has been convicted of a crime or is subject to pending criminal charges in any jurisdiction other than a minor traffic violation.

(E) He or she has otherwise acquired a disqualifying condition as described in subdivision (a) of Section 5096.2.

(2) An individual who fails to cease practice as required by subdivision (e) or who fails to provide the notice required by paragraph (1) shall be subject to the personal and subject matter

jurisdiction and disciplinary authority of the board as if the practice privilege were a license and the individual were a licensee. An individual in violation of subdivision (e) or paragraph (1) shall, for a minimum of one year from the date the board knows there has been a violation of subdivision (e) or paragraph (1), not practice in this state and shall not have the possibility of reinstatement during that period. If the board determines that the failure to cease practice or provide the notice was intentional, that individual shall be prohibited from practicing in this state in the same manner as if a licensee has his or her practice privilege revoked and there shall be no possibility of reinstatement for a minimum of two years.

(j) This section shall remain in effect only until January 1, 2019, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2019, deletes or extends that date.

SEC. 6. Section 5096.4 of the Business and Professions Code, as added by Section 20 of Chapter 411 of the Statutes of 2012, is amended to read:

5096.4. (a) The right of an individual to practice in this state under a practice privilege may be administratively suspended at any time by an order issued by the board or its executive officer, without prior notice or hearing, for the purpose of conducting a disciplinary investigation, proceeding, or inquiry concerning the individual's competence or qualifications to practice under practice privileges, failure to timely respond to a board inquiry or request for information or documents, or under other conditions and circumstances provided for by board regulation. The board shall consult the Public Company Accounting Oversight Board and the United States Securities and Exchange Commission ~~not less than~~ *at least once* every six months to identify out-of-state licensees who may have disqualifying conditions or who may be obliged to cease practice, and shall disclose, pursuant to this subdivision, whether those out-of-state licensees are lawfully permitted to exercise the privilege. Disclosure of this information shall not be considered discipline.

(b) The administrative suspension order is immediately effective when mailed to the individual's address of record or agent for notice and service as provided for in this article.

(c) The administrative suspension order shall contain the following:

(1) The reason for the suspension.

1 (2) A statement that the individual has the right, within 30 days,
2 to appeal the administrative suspension order and request a hearing.

3 (3) A statement that any appeal hearing will be conducted under
4 the provisions of the Administrative Procedure Act (Chapter 3.5
5 (commencing with Section 11340) of Part 1 of Division 3 of Title
6 2 of the Government Code) applicable to individuals who are
7 denied licensure, including the filing of a statement of issues by
8 the board setting forth the reasons for the administrative suspension
9 of practice privileges and specifying the statutes and rules with
10 which the individual must show compliance by producing proof
11 at the hearing and in addition any particular matters that have come
12 to the attention of the board and that would authorize the
13 administrative suspension, or the revocation of practice privileges.

14 (d) The burden is on the holder of the suspended practice
15 privilege to establish both qualification and fitness to practice
16 under practice privileges.

17 (e) The administrative suspension shall continue in effect until
18 terminated by an order of the board or the executive officer.

19 (f) Administrative suspension is not discipline and shall not
20 preclude any individual from applying for a license to practice
21 public accountancy in this state.

22 (g) Proceedings to appeal an administrative suspension order
23 may be combined or coordinated with proceedings for revocation
24 or discipline of a practice privilege.

25 (h) This section shall become operative on July 1, 2013.

26 (i) This section shall remain in effect only until January 1, 2019,
27 and as of that date is repealed, unless a later enacted statute, that
28 is enacted before January 1, 2019, deletes or extends that date.

29 SEC. 7. Section 5096.4 of the Business and Professions Code,
30 as added by Section 21 of Chapter 411 of the Statutes of 2012, is
31 amended to read:

32 5096.4. (a) The right of an individual to practice in this state
33 under a practice privilege may be administratively suspended at
34 any time by an order issued by the board or its executive officer,
35 without prior notice or hearing, for the purpose of conducting a
36 disciplinary investigation, proceeding, or inquiry concerning the
37 representations made in the notice, the individual's competence
38 or qualifications to practice under practice privileges, failure to
39 timely respond to a board inquiry or request for information or

1 documents, or under other conditions and circumstances provided
2 for by board regulation.

3 (b) The administrative suspension order is immediately effective
4 when mailed to the individual's address of record or agent for
5 notice and service as provided for in this article.

6 (c) The administrative suspension order shall contain the
7 following:

8 (1) The reason for the suspension.

9 (2) A statement that the individual has the right, within 30 days,
10 to appeal the administrative suspension order and request a hearing.

11 (3) A statement that any appeal hearing will be conducted under
12 the Administrative Procedure Act (Chapter 3.5 (commencing with
13 Section 11340) of Part 1 of Division 3 of Title 2 of the Government
14 Code) applicable to individuals who are denied licensure, including
15 the filing of a statement of issues by the board setting forth the
16 reasons for the administrative suspension of practice privileges
17 and specifying the statutes and rules with which the individual
18 must show compliance by producing proof at the hearing and in
19 addition any particular matters that have come to the attention of
20 the board and that would authorize the administrative suspension,
21 or the denial of practice privileges.

22 (d) The burden is on the holder of the suspended practice
23 privilege to establish both qualification and fitness to practice
24 under practice privileges.

25 (e) The administrative suspension shall continue in effect until
26 terminated by an order of the board or the executive officer or
27 expiration of the practice privilege under administrative suspension.

28 (f) Administrative suspension is not discipline and shall not
29 preclude any individual from applying for a license to practice
30 public accountancy in this state or from applying for a new practice
31 privilege upon expiration of the one under administrative
32 suspension, except that the new practice privilege shall not be
33 effective until approved by the board.

34 (g) Notwithstanding any administrative suspension, a practice
35 privilege expires one year from the date of notice unless a shorter
36 period is set by board regulation.

37 (h) Proceedings to appeal an administrative suspension order
38 may be combined or coordinated with proceedings for denial or
39 discipline of a practice privilege.

40 (i) This section shall become operative on January 1, 2019.

1 SEC. 8. Section 6759 of the Business and Professions Code is
2 amended to read:

3 6759. The board, upon application therefor, on its prescribed
4 form, and the payment of the fee fixed by this chapter, may issue
5 a certificate of registration as a professional engineer, without
6 written examination, to any person holding a certificate of
7 registration issued to him or her by any state or country when the
8 applicant's qualifications meet the requirements of this chapter
9 and rules established by the board. The board shall not require a
10 comity applicant to meet any requirement not required of California
11 applicants. For purposes of this section, equivalent second division
12 examinations shall be written examinations prepared by or
13 administered by a state or territory either by single or combined
14 branch at the level generally administered by the board to persons
15 who passed or were exempted from the first division examination.
16 Applicants who have passed an equivalent second division
17 combined branch or a single branch examination in a branch not
18 recognized for registration in California shall be registered in the
19 branch in which their experience and education indicate the closest
20 relationship.

21 SEC. 9. Section 7011.4 of the Business and Professions Code
22 is amended to read:

23 7011.4. (a) Notwithstanding Section 7011, there is in the
24 Contractors' State License Board, a separate enforcement division
25 ~~which~~ *that* shall rigorously enforce this chapter prohibiting all
26 forms of unlicensed activity.

27 (b) Persons employed as enforcement representatives of the
28 Contractors' State License Board and designated by the Director
29 of Consumer Affairs shall have the authority to issue a written
30 notice to appear in court pursuant to Chapter 5c (commencing with
31 Section 853.5) of Title 3 of Part 2 of the Penal Code. An employee
32 so designated is not a peace officer and is not entitled to safety
33 member retirement benefits as a result of that designation. He or
34 she does not have the power of arrest.

35 SEC. 10. Section 7842 of the Business and Professions Code
36 is amended to read:

37 7842. An applicant for certification in a specialty in geology
38 shall meet all of the requirements of Section 7841 and, in addition,
39 his or her seven years of professional geological work shall include
40 one of the following:

1 (a) A minimum of three years performed under the supervision
2 of a geologist certified in the specialty for which the applicant is
3 seeking certification or under the supervision of a registered civil
4 engineer if the applicant is seeking certification as an engineering
5 geologist, except that prior to July 1, 1970, professional geological
6 work shall qualify under this subdivision if it is performed under
7 the supervision of a geologist qualified in the specialty for which
8 the applicant is seeking certification or under the supervision of a
9 registered civil engineer if the applicant is seeking certification as
10 an engineering geologist.

11 (b) A minimum of five years' experience in responsible charge
12 of professional geological work in the specialty for which the
13 applicant is seeking certification.

14 SEC. 11. Section 7860 of the Business and Professions Code
15 is amended to read:

16 7860. (a) The board may, upon its own initiative or upon the
17 receipt of a complaint, investigate the actions of any professional
18 geologist or geophysicist, and make findings thereon.

19 (b) By a majority vote, the board may publicly reprove, suspend
20 for a period not to exceed two years, or revoke the certificate of
21 any geologist or geophysicist registered hereunder, on any of the
22 following grounds:

23 (1) Conviction of a crime substantially related to the
24 qualifications, functions, or duties of a geologist or geophysicist.

25 (2) Misrepresentation, fraud, or deceit by a geologist or
26 geophysicist in his or her practice.

27 (3) Negligence or incompetence by a geologist or geophysicist
28 in his or her practice.

29 (4) Violation of any contract undertaken in the capacity of a
30 geologist or geophysicist.

31 (5) Fraud or deceit in obtaining a certificate to practice as a
32 geologist or geophysicist.

33 (c) By a majority vote, the board may publicly reprove, suspend
34 for a period not to exceed two years, or may revoke the certificate
35 of any geologist or geophysicist registered under this chapter, for
36 unprofessional conduct. Unprofessional conduct includes, but is
37 not limited to, any of the following:

38 (1) Aiding or abetting any person in a violation of this chapter
39 or any regulation adopted by the board pursuant to this chapter.

(2) Violating this chapter or any regulation adopted by the board pursuant to this chapter.

(3) Conduct in the course of practice as a geologist or geophysicist that violates professional standards adopted by the board.

~~SEC. 12. Section 8538 of the Business and Professions Code is amended to read:~~

~~8538. (a) A registered structural pest control company shall provide the owner, or owner's agent, and the tenant, if any, of the premises for which the work is to be done with clear written notice that contains the following statements and information using words with common and everyday meaning:~~

~~(1) The pest to be controlled.~~

~~(2) The pesticide or pesticides proposed to be used, and the active ingredient or ingredients.~~

~~(3) "State law requires that you be given the following information: CAUTION—PESTICIDES—ARE—TOXIC CHEMICALS. Structural Pest Control Companies are registered and regulated by the Structural Pest Control Board, and apply pesticides that are registered and approved for use by the California Department of Pesticide Regulation and the United States Environmental Protection Agency. Registration is granted when the state finds that, based on existing scientific evidence, there are no appreciable risks if proper use conditions are followed or that the risks are outweighed by the benefits. The degree of risk depends upon the degree of exposure, so exposure should be minimized."~~

~~"If within 24 hours following application you experience symptoms similar to common seasonal illness comparable to the flu, contact your physician or poison control center (telephone number) and your pest control company immediately." (This statement shall be modified to include any other symptoms of overexposure that are not typical of influenza.)~~

~~"For further information, contact any of the following: Your Pest Control Company (telephone number); for Health Questions—the County Health Department (telephone number); for Application Information—the County Agricultural Commissioner (telephone number) and for Regulatory Information—the Structural Pest Control Board (telephone number and address)."~~

1 ~~(4) If a contract for periodic pest control has been executed, the~~
2 ~~frequency with which the treatment is to be done.~~

3 ~~(b) In the case of Branch 1 applications, the notice prescribed~~
4 ~~by subdivision (a) shall be provided at least 48 hours prior to~~
5 ~~application unless fumigation follows inspection by less than 48~~
6 ~~hours.~~

7 ~~In the case of Branch 2 or Branch 3 registered company~~
8 ~~applications, the notice prescribed by subdivision (a) shall be~~
9 ~~provided no later than prior to application.~~

10 ~~In either case, the notice shall be given to the owner, or owner's~~
11 ~~agent, and the tenant, if there is a tenant, in at least one of the~~
12 ~~following ways:~~

13 ~~(1) First-class or electronic mail.~~

14 ~~(2) Posting in a conspicuous place on the real property.~~

15 ~~(3) Personal delivery.~~

16 ~~If the building is commercial or industrial, a notice shall be~~
17 ~~posted in a conspicuous place, unless the owner or owner's agent~~
18 ~~objects, in addition to any other notification required by this~~
19 ~~section.~~

20 ~~The notice shall only be required to be provided at the time of~~
21 ~~the initial treatment if a contract for periodic pest control has been~~
22 ~~executed. If the pesticide to be used is changed, another notice~~
23 ~~shall be provided in the manner described in this section.~~

24 ~~(e) Any person or licensee who, or registered company that,~~
25 ~~violates any provision of this section is guilty of a misdemeanor~~
26 ~~and is punishable as set forth in Section 8553.~~